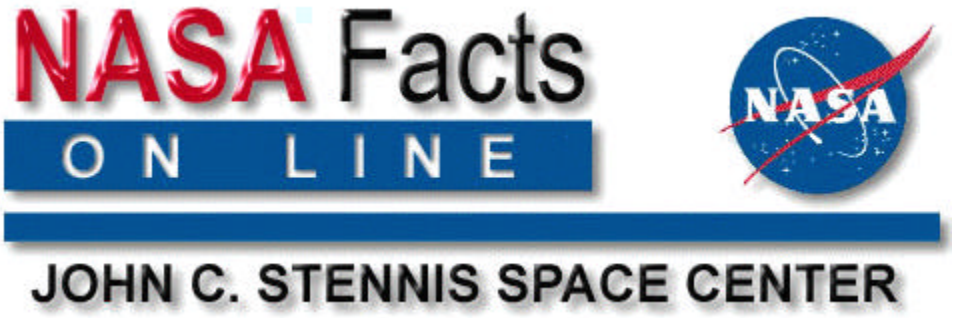

Small Business Innovation Research Program Fact Sheet

Congress established NASA's Small Business Innovation Research (SBIR) program in 1982 to provide increased opportunities for small businesses to participate in federal research and development (R&D) necessary to meet NASA's needs or missions.

The program's objectives are: to stimulate U.S. technological innovation in the private sector; to use small businesses to meet federal R&D needs; to increase private-sector commercialization of innovations derived from federal R&D; and to foster and encourage participation by socially and economically disadvantaged persons and women-owned small businesses in technological innovation. Legislation enacted in 1992 extended the program through the year 2000 and increased the emphasis on pursuing commercial applications of SBIR project results.

At NASA's John C. Stennis Space Center in South Mississippi, the SBIR program has helped companies through Phase I and II contract awards. The following are recent examples: (1) Cimarron Computer Engineering Inc. of Albuquerque, N.M., developed a calibration system for airborne sensors used on the NASA Stennis Learjet for various data collection activities; (2) Thermalscan, Inc. of Baton Rouge, La., developed a facilities pavement scanner system for use in collecting and analyzing roadway and airport runway conditions for scheduling maintenance; and (3) Barringer Patents Inc. of Golden, Colo., developed a radar remote detection system for subsurface features for use in the aircraft and satellite surveying of soil and vegetation moisture in agriculture areas, salinity or toxic contaminants in soils, and detection and mapping of buried ordnance.

Eligibility to participate in the SBIR program is limited to U.S.-owned and -operated small businesses organized for profit with 500 or less employees. Participation in NASA s SBIR program can provide a small business up to $670,000 to explore a technical innovation. NASA protects the technical data developed by small businesses under the SBIR Program for four years from the completion of the project.

Each NASA SBIR program cycle begins with the issuance of an annual SBIR program solicitation. NASA seeks Phase I proposals suggesting possible solutions to problems or opportunities stated in the solicitation. The solicitation provides basic information about the SBIR program: eligibility requirements, instructions for preparing and submitting Phase I proposals, considerations related to subsequent Phase II and Phase III activities, information on proposal evaluation, selection factors and procedures. The solicitation is divided into a number of technical topic areas. Each topic area is broken down into subtopics that describe the Agency s current R&D needs.

The processes of innovation and bringing new products to the market place have a high degree of technical and financial risk. Therefore, the SBIR program is structured into three phases:

PHASE I is the opportunity to establish the feasibility and technical merit of a proposed innovation. Phase I contracts are selected competitively and last for six months, funding up to $70,000 per contract in 1996 by NASA.

PHASE II is the major R&D effort in SBIR. It continues the most promising Phase I projects based on scientific and technical merit, results of Phase I, expected value to NASA, company capability and commercial potential. Phase II places greater emphasis on evidence of commercialization than Phase I. Phase II contracts are selected competitively and last up to 24 months with funding up to $600,000 in 1996 at NASA. Typically, NASA anticipates that approximately half of awarded Phase I projects will be selected for Phase II continuations.

PHASE III is the process of completing the development of a product to make it commercially available. The financial resources needed must be obtained outside the NASA SBIR funding set aside. Private sector investment in various forms is the usual vehicle for the Phase III process. NASA can fund Phase III activities for continued development or production of an innovation beyond Phase II for its own application or use.

The NASA SBIR program is an Agencywide effort that contributes to NASA's mission in planning, directing and conducting R&D for civilian uses of space and aeronautics. Under the direction of NASA Headquarters Office of Aeronautics in Washington, D.C., the SBIR program is implemented by the 10 NASA field installations, including Stennis Space Center. NASA is required by law to allocate 2 percent of its fiscal year 1996 and 2.5 percent for fiscal year 1997 R&D budget appropriation to its SBIR program.

For more information about NASA's Small Business Innovation Research program, contact the Stennis Space Center SBIR Program Office at (601) 688-3964, or access the home page over the World Wide Web at http://change.oact.hq.nasa.gov/SBIR/SBIR.html (no quotes).

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